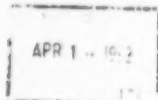


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UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
WASHINGTON, D. C. 20549



FORM 10 - Q

QUARTERLY REPORT PURSUANT TO SECTION 13 OR 15(D)
OF THE SECURITIES EXCHANGE ACT OF 1934

For the Fiscal Quarter Ended
February 29, 1992

Commission File Number
0-13771

UNIQUEST INCORPORATED

(Exact name of Registrant as specified in its charter)

Florida
(State of Incorporation)

59-2479032
(IRS Employer Identification Number)

6491 Powers Avenue
Jacksonville, Florida 32217
(904) 739-0822

(Address of principal executive offices and telephone number)

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Securities registered pursuant to Section 12(g) of the Q-Data Corp. - St. Petersburg, FL.

Common Shares \$.01 par value:

13,963,187 shares outstanding

L3Q

Indicate by check mark whether the registrant (1) has filed all reports required to be filed by Section 13 or 15(d) of the Securities Exchange Act of 1934 during the preceeding 12 months (or for such shorter period that the registrant was required to file such reports), and (2) has been subject to such filing requirements for the past 90 days.

Yes X No

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AVAILABLE**

UNIQUEST INCORPORATED
CONSOLIDATED BALANCE SHEETS

	February 29, 1992	May 31, 1991
ASSETS:		
Current Assets:		
Cash	\$55,765	\$865,860
Accounts and Note Receivable, less allowance for doubtful accounts of \$199,047 and \$195,967 in 1992 and 1991 respectively	3,728,247	1,582,498
Inventories	168,848	336,119
Other current assets	189,050	48,859
Total Current Assets	4,141,910	2,833,336
Property and Equipment, less accumulated depreciation of \$496,060 and \$351,638	795,746	507,322
Other assets	46,253	15,044
Software development costs, less accumulated amortization of \$148,831 and \$86,530	540,000	306,034
Intangible Assets, less accumulated amortization of \$104,176 and \$35,485	3,032,853	1,726,610
	<u>\$8,556,762</u>	<u>\$5,388,346</u>
LIABILITIES AND SHAREHOLDERS' EQUITY:		
Current Liabilities:		
Notes payable	\$2,200,000	\$1,640,328
Accounts payable	1,064,422	508,010
Accrued expenses	764,095	428,084
Deferred revenues	1,281,971	958,066
Current maturities of capital lease obligations	56,800	7,549
Total Current Liabilities	5,367,288	3,542,037
Notes payable less current maturities	0	150,000
Capital lease obligations less current maturities	138,671	11,484
Total Liabilities	5,505,959	3,703,521
Shareholders' Equity:		
Preferred stock, \$0.10 par value, 3,000,000 shares authorized, 1,012 and 1,000 shares issued and outstanding in 1992 and 1991 respectively	101	100
Common stock, \$0.01 par value, 15,000,000 shares authorized, 14,098,986 and 13,953,187 issued and outstanding in 1992 and 1991 respectively	140,990	139,532
Additional paid in capital	6,399,448	4,663,901
Accumulated deficit	(3,489,736)	(3,118,708)
Total Shareholders' Equity	3,050,803	1,684,825
	<u>\$8,556,762</u>	<u>\$5,388,346</u>

See accompanying notes to condensed consolidated financial statements

UNIQUEST INCORPORATED
CONSOLIDATED STATEMENTS OF OPERATIONS FOR THE
NINE MONTHS ENDED FEBRUARY 29, 1992 AND FEBRUARY 29, 1991

	Three Months Ended		Nine Months Ended	
	February 29, 1992	February 29, 1991	February 29, 1992	February 29, 1991
Revenues	\$3,103,623	\$633,546	\$8,438,834	\$2,347,391
Cost of Revenues	1,795,207	355,993	4,279,937	965,956
Gross Profit	1,308,416	277,553	4,158,897	1,381,435
Operating Expenses:				
General and Administrative	452,136	291,333	1,762,463	595,939
Selling and Marketing	727,326	170,009	1,939,204	485,079
Research and Development	287,282	110,118	709,667	255,704
Total operating expenses	1,466,744	571,460	4,411,334	1,336,722
Operating Income (Loss)	(158,328)	(293,907)	(252,437)	44,713
Other Income (Expense):				
Interest Expense	(49,018)	(30,633)	(136,529)	(104,450)
Other	(1,291)	9,568	17,936	9,568
Total Other Income(Expenses)	(50,309)	(21,065)	(118,593)	(94,882)
Income (Loss) before taxes	(208,637)	(314,972)	(371,030)	(50,169)
Taxes on income	0	0	0	0
Net Income (Loss)	<u>(\$208,637)</u>	<u>(\$314,972)</u>	<u>(\$371,030)</u>	<u>(\$50,169)</u>
Net Income (Loss) per Common and Common Equivalent Share:	(\$0.01)	(\$0.04)	(\$0.02)	(\$0.01)
Weighted Average Number of Shares of Common Stock Outstanding	16,419,995	7,561,720	15,953,103	6,619,224

See accompanying notes to condensed consolidated financial statements

UNIQUEST INCORPORATED
CONSOLIDATED STATEMENTS OF CASH FLOWS
NINE MONTHS ENDED FEBRUARY 29, 1992 AND FEBRUARY 28, 1991

	<u>1992</u>	<u>1991</u>
Cash from operating activities:		
Net Income (Loss)	(\$371,028)	(\$50,169)
Adjustments to reconcile net earnings to cash provided by (used in) operating activities:		
Depreciation and amortization	426,269	158,850
Provision for bad debts	3,060	25,000
Changes in operating assets and liabilities net of effects of mergers and acquisitions:		
Accounts and note receivable	(1,927,208)	4,818
Inventories	232,126	64,500
Prepaid expenses and other assets	(115,097)	(3,197)
Accounts payable and accrued expenses	592,093	42,559
Deferred revenues	48,305	114,334
Net cash provided by (used in) operating activities	<u>(1,111,480)</u>	<u>356,695</u>
Cash flows from investing activities:		
Capitalized software development costs	(183,848)	(128,482)
Additions to property and equipment	(157,363)	(25,229)
Cash acquired in purchase of business (Note 2)	127,972	556,269
Net cash used in investing activities	<u>(213,239)</u>	<u>402,558</u>
Cash flows from financing activities:		
Proceeds from issuance of notes payable	459,672	53,715
Principal payments on notes payable	(50,000)	0
Proceeds from capital lease obligations		0
Principal payments under capital lease obligations	(31,995)	(37,789)
Proceeds from issuance of common stock	136,947	0
Proceeds from issuance of preferred stock (Note 2)	0	1,000
Net cash provided from financing activities	<u>514,624</u>	<u>16,926</u>
Net increase (decrease) in cash	(810,095)	776,179
Cash at beginning of period	<u>865,860</u>	<u>18,273</u>
Cash at end of period	<u>\$55,765</u>	<u>\$794,452</u>

See accompanying notes to condensed consolidated financial statements

UNIQUEST INCORPORATED
NOTES TO CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

Note 1. Basis of Presentation

The accompanying unaudited, condensed consolidated financial statements have been prepared in accordance with the instructions to Form 10 - Q and do not include all of the information and footnotes required by generally accepted accounting principles for complete financial statements. In the opinion of management, all adjustments considered necessary for fair presentation have been included in the financial statements. All adjustments are of a normal and recurring nature. Operating results for the nine month period ended February 29, 1992 are not necessarily indicative of the results that may be expected for the year to end May 31, 1992. For further information, refer to the financial statements and footnotes thereto included in the Company's annual report on Form 10 - K for the year ended May 31, 1991.

Note 2. Acquisitions

System Innovators Inc.

On September 11, 1991, the Company completed the acquisition of Systems Innovators, Inc. ("SII") by exchanging twelve (12) shares of Company's Series B Convertible Preferred Stock for the all the outstanding shares of Common Stock of SII. The acquisition was accomplished pursuant to an Agreement and Plan of Merger dated August 30, 1991, by and among the Company, the Company's wholly owned subsidiary, New SII, Inc. ("New SII") and SII (the Merger Agreement), whereby SII was merged with and into New SII, whereupon SII became a wholly owned subsidiary of the Company.

The twelve shares of the Company's Series B Convertible Preferred Stock shall automatically be converted into 1,235,498 shares of the Company's \$.01 par value Common Stock at such time as the shareholders of the Company approve the increase in the authorized number of shares of Common Stock to 50,000,000 shares.

CheckRobot, Inc.

On December 5, 1991 the Company signed an Agreement and Plan of Merger between the UNIQUEST, CheckRobot, Inc., OmniCorp International B. V., CheckRobot's principal Stockholder and creditor, and CK Acquisition Corporation, a wholly owned subsidiary of the Company.

The Company also entered into a Management Agreement to manage the business of CheckRobot. As part of the agreement, until such time the merger is consummated OmniCorp and the Company shall be jointly responsible for the financing of CheckRobot. As of February 29, 1992 the Company has incurred approximately \$200,000 in expenses relating to the management of CheckRobot.

Note 3. Inventories

Inventories consist of the following:

	February 29, 1992	May 31, 1991
Raw Materials	\$76,901	\$83,873
Work in Process	0	44,640
Finished goods	91,947	207,606
	<u>\$168,848</u>	<u>\$336,119</u>

ITEM 2: MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS

General

The quarter ended February 29, 1992 includes the operations of System Innovators, Inc. (See Note 2 to Condensed Consolidated Financial Statements). The results of operations for 1990 were for the Healthcare Division and one month of operations for the companies acquired in February, 1991. (See Note 2 to the annual financial statements included in the Company's annual report on Form 10-K for the year ended May 31, 1991).

Results of Operations

Current Year-to-Date Versus Prior Year-to-Date

The Company's revenues for current the nine month period increased 359% to \$8,439,000 from \$2,347,000 for the same period last year due to the acquisitions in the third and fourth quarters last year and System innovators, Inc. during the second quarter of this year. Healthcare sales were \$2,620,000 as compared to \$2,092,000 last year.

The gross profit margin for the current nine month period decreased to 49% from 58% for the same period last year due to the inclusion of of the acquired companies. The newly acquired companies gross margins are less due to a higher percentage of hardware versus software and services.

Operating expenses for the current six month period increased 330% to \$4,411,000 from \$1,337,000 for the same period last year due to acquisitions. The Company is reducing these costs by consolidating facilities to its Jacksonville location and combining functional areas common in the acquired companies. In consolidating the operations in Jacksonville the Company has incurred several one time expenses including \$120,000 to buy out the lease for the Sarasota office and approximately \$88,000 of expenses incurred in moving employees and the office furniture and fixtures.

Other expenses for the current nine month period increased by 125% to \$119,000 from \$95,000 for the same period last year. Interest expense increased by \$32,000 due primarily to the interest on the \$250,000 note issued in acquisitions and the increase in the outstanding balance of the line of credit by \$400,000.

Current Year Quarter Versus Prior Year Quarter

The Company's revenues for current quarter increased 490% to \$3,104,000 from \$634,000 for the same quarter last year due to the acquisitions in the third and fourth quarters last year and System innovators, Inc. during the second quarter of this year. Healthcare sales were \$988,000 as compared to \$578,000 last year.

The gross profit margin for the current quarter decreased to 42% from 44% for the same quarter last year due to the inclusion of of the acquired companies. The newly acquired companies gross margins are less due to a higher percentage of hardware versus software and services.

Operating expenses for the current quarter increased 258% to \$1,474,000 from \$571,000 for the same quarter last year due to acquisitions. The Company is reducing these costs by consolidating facilities to its Jacksonville location and combining functional areas common in the acquired companies. In consolidating the operations in Jacksonville the Company has incurred several one time expenses including \$120,000 to buy out the lease for the Sarasota office and approximately \$28,000 of

expenses incurred in moving employees and the office furniture and fixtures.

Other expenses for the current quarter increased by 238% to \$50,300 from \$22,000 for the same quarter last year. Interest expense increased by \$19,000 due primarily to increased debt levels due to the acquisitions.

Liquidity and Sources of Capital

Cash declined by \$810,000 for the period. There was a net use of cash from from operations due principally to an increase in notes and accounts receivable by \$1,927,000 of which approximately \$200,000 was advanced to CheckRobot for operations per the Plan of Merger and Acquisition and Management Agreement. Accounts receivable increased for the most part to slower collections caused by the slow down in the economy. Any estimated doubtful accounts have been reserved at February 29, 1992.

During the quarter Company increased its line of credit to \$2,000,000. however; with the slow down in collections accounts payable and accrued expenses increased \$1,900,000. Management has agreed to terms for an equity investment sufficient to fund the acquisition of CheckRobot and provide adequate working capital for its current foreseeable needs. Management expects the funding to be completed by May 31, 1992.

PART II - OTHER INFORMATION

- ITEM 1.** Legal Proceedings
None
- ITEM 2.** Changes in Securities
None
- ITEM 3.** Defaults Upon Senior Securities
None
- ITEM 4.** Submission of Matters to a Vote of Security Holders
None
- ITEM 5.** Other Information
None
- ITEM 6.** Exhibits & Reports on Form 8 - K

(a) Reports on Form 8 - K

- (i) On December 5, 1991 the Company filed a Form 8K announcing the execution of an Agreement and Plan of Merger between the UNIQUEST, CheckRobot, Inc., OmniCorp International B.V., CheckRobot's principal Stockholder and creditor, and CK Acquisition Corporation, a wholly owned subsidiary of UNIQUEST.

SIGNATURES

Pursuant to the Securities Exchange Act of 1934, the Registrant has duly caused this report to be signed on its behalf by the undersigned, thereunto duly authorized.

UNIQUEST INCORPORATED

Date: April 13, 1992

By:



William R. Oglesby,

Secretary/Treasurer and

Chief Financial Officer

(Principal Accounting and Financial Officer)